

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

IN RE: :
: CASE NO: 10-73481-WLH
GREENVILLE UNITED CHRISTIAN :
MINISTRIES, d/b/a New Birth of :
Greenville, :
: CHAPTER 11
DEBTOR. :

**MOTION TO FIND ATTORNEY GRADY A. ROBERTS TO BE IN CONTEMPT
OF THE JULY 23, 2010 ORDER OF THE COURT**

The United States Trustee for Region 21 in furtherance of his administrative responsibilities imposed and in accordance with 11 U.S.C. § 329 and Bankruptcy Rules 2014, 2016 and 2017(b), files this *Motion to Find Attorney Grady A. Roberts to be in Contempt of the July 23, 2010 Order of the Court*, and in support therefor states as follows:

1.

On or about June 10, 2010, the United States Trustee filed a Motion for an Order Directing Disgorgement of Fees and Request for Imposition of Sanctions (the "Motion") against Attorney Grady A. Roberts and Roberts Law, LLC (collectively "Roberts"). In the Motion the United States Trustee argued that Roberts' actions in this case justified judicial review of his compensation pursuant to 11 U.S.C. § 329. As stated in the Motion, Roberts failed to file the basic documents required in a chapter 11 case. Roberts failed to appear at the initial debtor interview and failed to appear in any meaningful way at the section 341(a)

meeting of creditors. Among the numerous documents Roberts neglected to file on behalf of the debtor is a Rule 2016(b) Attorney Disclosure of Compensation Form or an application to be employed as attorney for the debtor.

2.

The Court conducted a hearing on the Motion on July 15, 2010. Present at the hearing was David S. Weidenbaum, counsel for the United States Trustee. There was no appearance at the hearing by Roberts.

3.

At the hearing the United States Trustee also expressed concerns about the lack of transparency regarding the relationship between the debtor and Roberts - a relationship where Roberts has a statutory requirement to fully disclose all of his connections with the debtor, including, but certainly not limited to, the amount of compensation received in connection with the filing of the case. The United States Trustee informed the Court that the street address shown on the petition for the debtor, believed to be a church located in South Carolina, is the same exact address as shown for Roberts. Additionally, the United States Trustee expressed a concern with the authenticity of the signature shown on the petition for Getties Jackson, purportedly the authorized representative of the debtor. The concern about the signature was also raised by Assemblies of God Loan Fund, Inc. in its Motion to Dismiss filed on or about June 14, 2010 (Docket No. 16). Due to the debtor's failure to appear at the initial debtor interview or the section 341(a) meeting of creditors, the United States Trustee

has been unable to confirm the validity of the signature,

4.

On July 23, 2010, the Court entered an order granting the Motion. Pursuant to the order of the Court, within 20 days of the entry of the order, Roberts was directed to file a verified pleading stating the total amount of fees he received from all sources in connection with the filing of this case. Roberts was then directed to disgorge the total amount of fees he and his firm received in connection with the filing of the case; to pay such fees into the registry of the Court; and to file with this Court a verified certificate attesting to such disgorgement.

5.

A review of the docket at 12:00 p.m. on Wednesday, August 18, 2010, reveals no verified pleading stating the total amount of fees he received in connection with the filing of the case and no such certificate attesting to a disgorgement filed by Roberts. See "Exhibit A".

6.


Upon information and belief, Roberts' failure to file a verified pleading stating the total amount of fees he and his firm has received from all sources in connection with the filing of this case; to disgorge the fees he received in this case; and file the certificate attesting to said disgorgement is in defiance of the specific direction of the Court.

Accordingly, Roberts should be considered to be in contempt of court.

WHEREFORE, the United States Trustee prays for

- (i) the entry of an order finding Roberts to be in contempt of court;
- (ii) Roberts to be subject to additional monetary sanctions in an amount deemed appropriate by the Court;
- (iii) Roberts to be potentially subject to non-monetary sanctions including incarceration until the funds are returned; and
- (iv) such further relief as the Court deems necessary and appropriate.

DONALD F. WALTON
UNITED STATES TRUSTEE
REGION 21

By: 
David S. Weidenbaum, Esquire
Georgia Bar No. 745892
United States Department of Justice
Office of the United States Trustee
Suite 362, Richard B. Russell Building
75 Spring Street, SW
Atlanta, Georgia 30303
404-331-4437, ext. 140
David.s.weidenbaum@usdoj.gov

CERTIFICATE OF SERVICE

I hereby Certify that a true and correct copy of the United States Trustee's *Motion to Find Attorney Grady A. Roberts to be in Contempt of the July 23, 2010 Order of the Court* was sent by First Class United States Mail to the following parties in interest:

Greenville United Christian Ministries
191 Peachtree Street
Suite 3300
Atlanta, GA 30093

Grady A. Roberts
Roberts Law, LLC
Suite 3300
191 Peachtree Street
Atlanta, GA 30303

John A. Thomson, Jr.
Womble Carlyle Sandridge & Rice, PLLC
271 17th Street, N.W.
Suite 2400
Atlanta, GA 30363-1017

Greenville United Christian Ministries, Inc.
a/k/a New Birth Greenville
3315 Brushy Creek Road
Greer, SC 29650-1003

Done this 18th day of August, 2010.


By: 
David S. Weidenbaum
Trial Attorney

EXHIBIT A

DISMISSED

**U.S. Bankruptcy Court
Northern District of Georgia (Atlanta)
Bankruptcy Petition #: 10-73481-wlh**

Assigned to: Judge Wendy L. Hagenau
Chapter 11
Voluntary
Asset

Date filed: 05/04/2010
Debtor dismissed: 07/26/2010

Debtor disposition: Dismissed for Other Reason

Debtor
Greenville United Christian Ministries, 2nd
EIN# 20-8423589
191 Peachtree Street, Suite 3300
Atlanta, GA 30093
Tax ID / EIN: 57-7896985
dba
New Birth of Greenville

represented by **Grady A. Roberts**
Roberts Law, LLC
Ste. 3300
191 Peachtree Street
Atlanta, GA 30303
404-794-7000

U.S. Trustee
Office of the US Trustee
Suite 362
75 Spring Street, SW
Atlanta, GA 30303
404-331-4437

represented by **David S. Weidenbaum**
Office of the U.S. Trustee
362 Richard B. Russell Bldg.
75 Spring Street, SW
Atlanta, GA 30303
(404) 331-4437
Fax : (404) 331-4464
Email:
david.s.weidenbaum@usdoj.gov

Filing Date	#	Docket Text
05/04/2010	<u>1</u>	Case Opened and Voluntary Petition Filed. Government Proof of Claim due by 10/31/2010. Chapter 11 plan due by 10/31/2010. Disclosure Statement due by 10/31/2010. (yl) Additional attachment(s) added on 5/5/2010 (wrw).
05/04/2010		Receipt of Chp 11 Full filing fee. Receipt Number 1140487. Fee Amount \$1,039.00. Paid by Grady A. Roberts.
		Notice of deficient filing regarding bankruptcy petition. Service by BNC. Schedule(s) A,B,D,E,F,G,H due by 5/18/2010, Summary of Schedules due 5/18/2010. Statement of Financial

05/04/2010	<u>3</u>	Affairs due 5/18/2010. Atty Disclosure State. due 5/18/2010. Corporate Resolution due 5/18/2010. 11 USC 521(i) Filings due by 6/18/2010. (wrw) (Entered: 05/05/2010)
05/05/2010	<u>2</u>	Order that the creditor mailing matrix must be filed within 14 days from entry of this order or case may be dismissed without further notice and hearing. Service by BNC. Entered on 5/5/2010. List of all creditors due 5/19/2010. (wrw)
05/06/2010	<u>4</u>	Notice of Meeting of Creditors (Chapter 11). 341 Meeting to be held on 6/10/2010 at 03:00 PM at Hearing Room 368, Atlanta. (wrw)
05/07/2010	<u>5</u>	Certificate of Mailing by BNC of Order Regarding Mailing Matrix Service Date 05/07/2010. (Admin.) (Entered: 05/08/2010)
05/07/2010	<u>6</u>	Certificate of Mailing by BNC of Notice of Deficiency Service Date 05/07/2010. (Admin.) (Entered: 05/08/2010)
05/08/2010	<u>7</u>	Certificate of Mailing by BNC of Notice of Meeting of Creditors Service Date 05/08/2010. (Admin.) (Entered: 05/09/2010)
05/12/2010	<u>8</u>	Bankruptcy Petition with Amended Matrix Fee Collected \$ 26, Receipt Number 01140845, filed by Grady A. Roberts on behalf of Greenville United Christian Ministries . (smw) (Entered: 05/14/2010)
05/16/2010	<u>9</u>	Certificate of Mailing by BNC of Notice of Meeting of Creditors Service Date 05/16/2010. (Admin.) (Entered: 05/17/2010)
05/20/2010	<u>10</u>	Motion to Dismiss Case <i>or Convert to Chapter 7</i> filed by David S. Weidenbaum on behalf of Office of the US Trustee. (Weidenbaum, David)
06/02/2010	<u>11</u>	Notice of Case Reassignment. Service by BNC. (diw)
06/04/2010	<u>12</u>	Certificate of Mailing by BNC of Case Reassignment Notice. Service Date 06/04/2010. (Admin.) (Entered: 06/05/2010)
06/08/2010	<u>13</u>	Notice of Hearing <i>on United States Trustee's Motion to Dismiss or in the Alternative Convert Case to Chapter 7</i> filed by David S. Weidenbaum on behalf of Office of the US Trustee. Hearing to be held on 7/15/2010 at 01:30 PM in Courtroom 1403, Atlanta, (related document(s) <u>10</u> Motion to Dismiss Case filed by Office of the US Trustee)(Weidenbaum, David)
		Motion for Sanctions <i>United States Trustee's Motion for Review</i>

06/10/2010	<u>14</u>	<i>and Disgorgement of Fees and Request for Imposition of Sanctions</i> filed by David S. Weidenbaum on behalf of Office of the US Trustee. Hearing to be held on 7/15/2010 at 01:30 PM in Courtroom 1403, Atlanta, (Weidenbaum, David)
06/10/2010		Chapter 11 Section 341(a) meeting not held. (kys) (Entered: 06/16/2010)
06/14/2010	<u>15</u>	Notice of Appearance (Attorney) filed by John A. Thomson Jr. on behalf of Assemblies of God Loan Fund, Inc.. (Thomson, John)
06/14/2010	<u>16</u>	Motion to Dismiss Case <i>or, in the Alternative, for Change of Venue</i> filed by John A. Thomson Jr. on behalf of Assemblies of God Loan Fund, Inc.. (Thomson, John)
06/14/2010	<u>17</u>	Notice of Hearing filed by John A. Thomson Jr. on behalf of Assemblies of God Loan Fund, Inc.. Hearing to be held on 7/15/2010 at 01:30 PM in Courtroom 1403, Atlanta, (related document(s) <u>16</u> Motion to Dismiss Case filed by Assemblies of God Loan Fund, Inc.)(Thomson, John)
07/26/2010	<u>18</u>	Order Dismissing Case. Service by BNC Entered on 7/26/2010. (related document(s) <u>16</u> Motion to Dismiss Case filed by Assemblies of God Loan Fund, Inc.)(mab)
07/26/2010	<u>19</u>	Order GRANTING the United States Trustee's Motion for Order Directing Disgorgement of Fees and Imposition of Sanctions Against Attorney Grady A. Roberts(Related Doc # <u>14</u>) Service by BNC. Entered on 7/26/2010. (mab)
07/28/2010	<u>20</u>	Certificate of Mailing by BNC of Order on Motion for Sanctions Service Date 07/28/2010. (Admin.) (Entered: 07/29/2010)
07/28/2010	<u>21</u>	Certificate of Mailing by BNC of Order of Dismissal Service Date 07/28/2010. (Admin.) (Entered: 07/29/2010)

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			10-73481-wlh Fil or Ent: filed

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